



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE 3

CITY IMPROVEMENT DISTRICTS (CIDs) ADDITIONAL RATES

CITY IMPROVEMENT DISTRICTS (CIDs) ADDITIONAL RATES 2018/2019

Each CID must submit a budget to the City annually in terms of the Special Rating Areas (SRA) By-Law. This budget must be in accordance with the approved business plan of the CID and be approved by the company members at an Annual General Meeting (AGM) or Members Meeting. The budgets for 2018/19 for all existing CIDs included in the table below were all approved in terms of this requirement prior to submission to the City for inclusion in the City's budget document. The CIDs have a 5-year budget as per their approved Business Plan and as such cannot anticipate future development or valuation fluctuations due to successful appeals etc. Communities are informed from the outset regarding the impact of valuation fluctuations on CID budgets and also individual contributions. Accordingly, various scenarios materialize in later years where the CID budget may be spread over a broader community thus reducing the burden on individuals. Similarly, successful appeals could result in a bigger than anticipated burden on individuals due to the valuation base reducing concomitant to annual budget increases. The impact on individuals is extensively modelled to ensure that it does not exceed the original approved impact as per the 5-year budget and if greater than the budget growth it remains within the threshold of affordability and sustainability.

The amount of any additional rate levied in a CID area is determined by Council. The additional rate is a debt owing to the City and is payable and collected in the same manner as any other property rates imposed by Council. Two different categories of property are identified when imposing an additional rate in a CID: Residential and Non-residential. The SRA Policy, as approved by Council, further clarifies that any non-residential property with a municipal valuation of 50% or more of the total municipal valuation of the CID it is located in will not fund more than 25% of the budget. In Glosderry City Improvement District one property fits this criteria hence the introduction in 2017/18 of a new subcategory for non-residential properties to alleviate this situation and reduce their contribution to less than 25% of the budget.

Due to the continued increase in the residential component of the Cape Town Central City Improvement District (CCID) differential rates are introduced for residential and non-residential which will give some relief to residential property owners who are currently charged at the commercial rate. The impact on non-residential property owners will be limited to 7.4% which is in line with the CCID budget increase which was approved by its members at its AGM.

Green Point City Improvement District (GPCID) approved an above inflationary budget increase of 18.9% to improve the level of service delivery in the area at its Annual General Meeting. This request was approved unanimously by the members. The resulting increase in the additional rate will be limited to 2.8% for residential and 4.2% for non-residential due to various new developments that have increased the total property valuation for the GPCID thereby spreading the impact of the budget increase across a broader base.

Three CIDs (Athlone, Glosderry and Stikland Industrial) have applied for a new 5-year term commencing on the 1st of July 2018. At their AGMs their members voted unanimously in favour for the continuation of the CIDs. These are included in the table below subject to Council approving a further term.

Two areas in Hout Bay submitted applications to the City for the establishment of CIDs and are included in the table below subject to Council approving the applications (Mount Rhodes and Overkloof).

The additional rates for 2018/19, expressed as Rand-in-the-rand and based on the total property valuation per CID, are submitted for Council approval.

City Improvement District	Approved Budget 2017/18 R	Approved Additional Rate 2017/18 R	Proposed Budget 2018/19 R	Proposed Additional Rate 2018/19 R
Airport Industria	3,714,491	0.002139	4,101,031	0.002404
Athlone #	809,356	0.002146	880,000	0.002426
Beaconvale	3,115,670	0.002420	3,465,649	0.002751
Blackheath	2,481,938	0.001311	2,667,730	0.001412
Brackenfell	2,773,044	0.002672	2,963,871	0.002845
Cape Town Central City	58,138,785	0.001990		
-Residential			7,450,000	0.001764
-Non-Residential			55,049,194	0.002138
Total			62,499,194	
Claremont				
-Residential	699,373	0.000445	752,116	0.000477
-Non-Residential	7,542,789	0.001477	8,149,328	0.001586
Total	8,242,162		8,901,444	
Claremont Boulevard				
-Non-Residential	3,378,393	0.000662	3,530,421	0.000687
Elsies River	2,515,800	0.003198	2,801,895	0.003601
Epping	9,112,998	0.001258	9,842,038	0.001403
Fish Hoek				
-Residential	217,797	0.000606	236,420	0.000648
-Non-Residential	676,734	0.001551	720,870	0.001667
Total	894,531		957,290	
Glosderry #				
-Non-Residential	1,144,211	0.002754	1,236,037	0.002975
-Non-Residential > 50%	264,178	0.000550	285,200	0.000594
Total	1,408,389		1,521,237	
Green Point				
-Residential	1,059,383	0.000457	1,072,500	0.000470
-Non-Residential	5,095,266	0.002248	6,242,500	0.002342
Total	6,154,649		7,315,000	
Groote Schuur	5,902,114	0.001773	6,600,000	0.001892
Kalk Bay and St James				
-Residential	1,218,628	0.000494	1,313,864	0.000531
-Non-Residential	269,943	0.001576	288,409	0.001756
Total	1,488,571		1,602,273	
Little Mowbray / Rosebank				
-Residential	1,314,344	0.000670	1,415,987	0.000709
-Non-Residential	560,296	0.001342	571,138	0.001486
Total	1,874,640		1,987,125	
Llandudno				
-Residential	2,500,000	0.000612	2,681,361	0.000673
-Non-Residential	N/A	N/A	68,020	0.000673
Total	2,500,000		2,749,381	
Maitland	2,676,853	0.002215	3,058,041	0.002326
Montague Gardens-Marconi Beam	5,862,223	0.000717	6,226,738	0.000776

Mount Rhodes *				
-Residential	N/A	N/A	494,511	0.001636
-Non-Residential	N/A	N/A	34,067	0.001862
Total			528,578	
Muizenberg				
-Residential	1,064,232	0.000905	1,305,210	0.001038
-Non-Residential	843,752	0.002634	765,881	0.002960
Total	1,907,984		2,071,091	
Northpine				
-Residential	1,524,843	0.001197	1,635,764	0.001295
-Non-Residential	289,218	0.002081	323,479	0.002341
Total	1,814,061		1,959,243	
Observatory				
-Residential	2,637,520	0.000989	2,926,709	0.001074
-Non-Residential	2,734,970	0.001861	2,902,443	0.002097
Total	5,372,490		5,829,152	
Oranjekloof				
-Residential	794,659	0.000478	1,072,146	0.000519
-Non-Residential	4,645,041	0.002262	4,834,854	0.002491
Total	5,439,700		5,907,000	
Overkloof *				
-Residential	N/A	N/A	446,600	0.001724
-Non-Residential	N/A	N/A	3,400	0.001724
Total	N/A	N/A	450,000	
Paarden Eiland	4,066,352	0.001097	4,376,281	0.001164
Parow Industria	4,292,474	0.001724	4,609,886	0.001862
Penzance Estate				
-Residential	882,536	0.001674	925,884	0.001771
-Non-Residential	112,000	0.003358	148,143	0.003376
Total	994,536		1,074,027	
Salt River	3,247,249	0.002406	3,478,158	0.002473
Sea Point				
-Residential	1,710,608	0.000989	1,873,137	0.001032
-Non-Residential	3,541,568	0.002251	3,770,598	0.002372
Total	5,252,176		5,643,735	
Somerset West	2,619,619	0.002697	2,813,326	0.002949
#Stikland Industrial	3,264,977	0.001987	3,750,000	0.002236
Strand	1,101,378	0.002592	1,181,686	0.002945
Triangle Industrial	2,120,330	0.003100	2,240,231	0.003322
Tygervalley	3,256,774	0.001803	3,516,554	0.001943
Voortrekker Road Corridor	17,267,560	0.002559	18,648,965	0.002731
Vredeklloof				
-Residential	2,866,746	0.001958	3,076,234	0.002071
-Non-Residential	85,036	0.002267	76,835	0.002402
Total	2,951,782		3,153,069	
Woodstock	4,611,148	0.001694	4,978,471	0.001894
Wynberg				
-Residential	697,750	0.001026	760,541	0.001107
-Non-Residential	4,036,168	0.003437	4,343,067	0.003634
Total	4,733,918		5,103,608	
Zeekoevlei Peninsula				
-Residential	481,391	0.001940	506,757	0.002101
-Non-Residential	N/A	N/A	11,925	0.002101
Total	481,391		518,682	

Zwaanswyk				
-Residential	1,080,619	0.000873	1,129,594	0.000945
-Non-Residential	N/A	N/A	37,519	0.000945
Total	1,080,619		1,167,113	
Total	198,921,125		216,669,214	

Note: Additional Rates are reflected exclusive of VAT. VAT inclusive rates can be found in Annexure 6 (Tariffs, Fees and Charges book)

* Subject to Council approving the establishment of the CID.

Subject to Council approving that the CID implements its new business plan for a further period of 5 years starting on the 1st of July 2018.